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EXAMINER

GARG, YOGESH C

ART UNIT

PAPER NUMBER

3625

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Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/800,535

Applicant(s)

GROUNDS, GAVIN A.

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 13 August 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1,2,4-6,8-46,48,50 and 52-59 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,2,4-6,8-46,48,50 and 52-59 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_ 6) ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### *Response to Amendment*

1. The applicant's response, paper #7, received on 08/13/2003 is acknowledged and entered. The amendment B, paper # 5, received on 06/30/2003 is also entered. Claim 57 has been amended. Claims 1-2, 4-6, 8-46, 48, 50, and 52-59 are pending.

Applicant's request for reconsideration of the finality of the rejection of the last Office action is persuasive and, therefore, the finality of that action is withdrawn.

### *Response to Arguments*

2. Applicant's arguments filed in his response on 08/13/2003 (see pages 2-10) with regards to independent claims 1 and 48 have been fully considered and found persuasive and the rejection of claims 1-2, 4-6, 8-18, 48, 50-54, and 58-59 in view of Weber is withdrawn.

The applicant's remarks (see response, page 11 and 12) with regards to rejection of independent claims 19 and 33, that Elgamal treats "customer " and "customer application 36" different and distinct and also "merchant" and "merchant application 42" different and distinct are not acceptable. Because all the communication between customer, "30" and merchants, "40" and the Payment Gateway , "60" is being done electronically via Internet and computerized systems. Both the "customer" and "merchant" represent computerized systems "30" and "40" as indicated in FIG.1. Further, applicant's remarks, "it is the customer as a human who makes the decision regarding whether or not the transaction will involve a micro-payment" (see response page 11), is applicable in both Elgamal and the applicant's invention. Customer as a human

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always makes the decision to buy items/services costing a couple of dollars and pennies or hundreds of dollars. The claimed feature of the claims 19 and 33 is to determine if the payment in the financial transaction is a micro-payment and Elgamal teaches the automated determination if the payment involved in the financial transaction is micro-payment ", (see col.7, lines 26-35). The fact that merchant, which is the computerized system of the merchant, recognizes that PG is specified as the acquirer instead of a bank makes it obvious that PG, the Payment Gateway determined the payment in the financial transaction as micro-payment and therefore specified PG as the acquirer and not the bank. Obviously if the amount of payment is greater than the micro-payment threshold then the acquirer would automatically be specified as bank.

Applicant's arguments, see pages 12-15, with respect to claims 10, 24, 38, and 58 with regards to reference Dahlstorm that combining the teachings of Dahlstorm will essentially lead away from the subject matter recited in these claims have been fully considered but are not persuasive. Claims 10, 24, 38, and 58 allow the alternative option to specify one of the three conditions for an amount of financial transaction to be a micro-payment, that is, a predetermined threshold, a frequency of such financial transactions and identity of the customer. Dahlstorm suggests explicitly two of the three conditions which can be used to consider payments as micro-payments (see page 3, under the head " What are Micro Payments?, "...Micro-payments are called micro-payments because..... low value (<n).....high volume (vtra).....". Please refer to the following court cases which justify using Dahlstorm's objective teachings to establish a prima facie case of obviousness which can lead a person of an ordinary skill in the art to be combine Dahlstorm's teachings with the relevant teachings of other references:

*In re Fine*, 5 USPQ2d 1596 (CA FC 1988)

The PTO can satisfy the burden under section 103 to establish a prima facie case of obviousness "by showing some objective teaching in the prior art or that knowledge generally

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available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references."

*In re Bozek*, 163 USPQ 545 (CCPA 1969)

"Having established that this knowledge was in the art, the examiner could then properly rely, as put forth by the solicitor, on a conclusion of obviousness 'from common knowledge and common sense of the person of ordinary skill in the art without any specific hint or suggestion in a particular reference.'"

*In re Gershon, Goldberg, and Neiditch*, 152 USPQ 602 (CCPA 1967)

"Although references do not disclose or suggest the existence of applicants' problem or its cause, claims are rejected under 35 U.S.C. 103 since references suggest a solution to problem; it is sufficient that references suggest doing what applicants did, although they do not teach or suggest exactly why this should be done, other than to obtain the expected superior beneficial results."

*In re Dillon*, 16 USPQ2d 1897 (CA FC 1990)

"Each situation must be considered on its own facts, but it is not necessary in order to establish a prima facie case of obviousness that both a structural similarity between a claimed and prior art compound (or a key component of a composition) be shown and that there be a suggestion in or expectation from the prior art that the claimed compound or composition will have the same or a similar utility as one newly discovered by applicant."

*In re Wiseman*, 201 USPQ 658 (CCPA 1979)

Mere recognition of latent properties in the prior art does not render nonobvious an otherwise known invention.

*In re Bode, Nolan, Baker, Mathias, and Pfaender*, 193 USPQ 12 (CCPA 1977)

"Every patent application and reference relies to some extent on knowledge of persons skilled in art to complement that disclosed, in order that it be 35 U.S.C. 112 "enabling," and to satisfy requirements of reference under 35 U.S.C. 102."

*In re Shepard*, 138 USPQ 148 (CCPA 1963)

"In considering disclosure of reference patent, it is pertinent to point out not only specific teachings of patent but also the reasonable inferences which one skilled in the art would logically draw therefrom."

*In re Bozek*, 163 USPQ 545 (CCPA 1969)

"Reference disclosure must be evaluated for all that it fairly suggests and not only for what is indicated as preferred."

This is a non-final rejection.

***Drawings***

3. The drawings submitted on 03/06/2001 are acceptable and approved by the official draftsman.

***Claim Rejections - 35 USC § 112***

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-2, 4-6, and 8-18 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 recites the limitation, " a memory operable to store information and a program, the memory further operable to store a first message indicating the making of a financial transaction, the first message including customer information and transaction information " in lines 3-5 on page 26 and "instruct the memory to store at least part-of the transaction information and generate a third message indicating authorization of the financial transaction if the financial transaction involves a micro-payment; " in line 13-15, on page 26. It is unclear when the "transaction information" emerging from the first message is already stored in the memory then why to instruct the memory again to store "at least part-of the transaction information "in the memory. As best understood by the examiner the limitation of claim 1 in lines 13-15 on page 26, should read --instruct the memory to generate a third message indicating authorization of the financial transaction if the financial transaction involves a micro-payment; — and this claim will be further treated on merits accordingly. Since claims 2, 4-6, and 8-18 are dependencies of claim 1 they also inherit the same deficiency.

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***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-2, 4-6, 8-13, 15-27, 29-41, 43-46, 48, 50, 52-53, and 58 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ronen et al. (US Patent 5,905,736) and further in view of Weber.

**Regarding claim 1**, Ronen teaches an apparatus for processing financial transactions (see at least FIG.1, elements "101", a customer terminal, "106 and 107", ISPs, "108", a billing platform consisting of servers "109" and "111" and databases "110" and "112", and col.3, line 23-col.4, line 19) comprising:

a memory operable to store information and a program, the memory further operable to store a first message indicating the making of a financial transaction, the first message including customer information and transaction information; and

a processor coupled to the memory, the processor, according to the program, operable (For the above two limitations see FIG.1, "108", a billing platform consisting of servers "109" and "111" and databases "110" and "112". The servers inherently include memories and processors, which are programmed to be operable as per the executable instructions stored in the memories of the servers. Databases "110" and "112" storing information about transactions and customers also correspond to the memory in the claimed limitation. Col.3,

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line 23-col.4, line 19, which describes all the elements of the system used to execute the method steps of making payments for a financial transaction over a communication network. See also col.4, line 63-col.5, line 12 and Table 2, which discloses storing information about the customer and the transaction "...The billing server also stores ..information for each transaction charged.....Table 2 shows an example.....". Also see col.7, lines 7-15, "The functions performed within the billing platform 108, as described above could be distributed between the transaction server 109 and billing server 111....present invention could be implements with a single server and associated database....". Also, see col.6, lines 20-25.):

to determine the validity of the customer information (see at least col.5, lines 45-66, "...Before the completion of the transaction, therefore, the accessed ISP. Such as ISP 106, communicates with the transaction server 109 to determine whether that IP address has an established billing entry to which charges for the transaction can be forwarded and recorded.....If such an entry exists on database 110 and a billing mechanism is in place, ISP 106 is signaled over the secured link, to authorize the transaction ",),

to generate a second message indicating & non- authorization of the financial transaction if the customer information is invalid (see at least col.7, lines 25-31, ".....If no such entry exists for the IP address, at step 215 the ISP receives a non-confirmation signal ....Without a confirmation, the user is precluded from proceeding with the transaction ),

to determine whether the financial transaction involves a micro-payment if the customer information is valid,

to instruct the memory to generate a third message indicating authorization of the financial transaction if the financial transaction involves a micro-payment

(For the above two limitations see at least col.4, lines 20-60 and Table 1 which disclose the break up of the customer's choices and instructions to make payment depending



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upon the amount of the payment involved in the financial transaction. Col.4, lines 33-36, "...Charges for transactions of a certain type for less than a predetermined amount may be designated for billing to an identified telephone account associated with the user " define the micro-payments. See col.2, lines 21-30, "...Billing to a particular credit card.....etc., can be selectively determined, for example, by the type of the transaction, the amount of the transaction, the identity of the provider, or a combination of these..." which discloses that the system of Ronen determines the type of payment as exemplified in Tables 1 and Table 2 [see at least col.6, lines 20-29] and if the payment as per table 1 is for information services, which are micro-payments, would be billed to a telephone account which corresponds to the generation of third message for authorization of the financial transaction without waiting for any authorization approval.).

Ronen discloses use of credit and debit cards to make payment against financial transactions of buying and selling (see at least Table 1, "...Chase Debit Account.....Master Card Account " and Table 2, " Visa Account.....\$25.00..". Note: Debit and credit card payments are for payments bigger than charges for information services which correspond to micro-payments in Ronen). Ronen does not explicitly disclose generating an authorization request. However, it is old and well known that debit and credit card payments need first generating an authorization request to the acquirer or issuer of the debit or credit cards and only on receiving an approval/confirmation number for the amount involved the financial transaction is allowed to proceed.

However, in the field of same endeavor of financial transactions over communication network and payments made through , Weber teaches generating an authorization request if the financial transaction does not involve a micro-payment, that is, using debit and credit cards for payments larger than micro-payments (see at least, col.15, line 59-col.16, line 8,

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"...FIG.4 depicts the detailed steps of generating and transmitting a payment authorization request.....The basic authorization request is a data area that includes all the information for determining whether a request should be granted or denied.....the party who is being charged, the amount to be charged.....FIG.5A depicts a basic authorization request 510....").

In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen to incorporate the feature of generating an authorization request if the financial transactions are for larger payments through credit and debit cards [larger than micro-payments which are a couple of dollars and/or cents as per a pre-defined threshold corresponding to the charges for information services in Ronen]. Doing so enables to assess the transaction risk and confirm that the payment involved in a financial transaction does not raise the account holder's debt above the account card's limit or an existing balance debit card payments and save the financial institutions from incurring losses.

**Regarding claim 2**, Ronen discloses further comprising a communication interface adapted to be coupled to a communication link and coupled to the memory, the communication interface operable to receive information from and send information over the communication link (see at least FIG.1, elements "101", a customer terminal, " 103", local exchange circuit, "104", IAP, "105", Internet, "106 and 107", ISPs, "108", a billing platform consisting of servers "109" and "111" and databases "110" and "112", and col.3, line 23-col.4, line 19 which show communication taking place between the users and ISPs and the billing and transaction server. The network elements shown in FIG.1 in Ronen of the servers would inherently require a communication interface adapted to be coupled to a communication link

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and coupled to the memory/databases to receive information from and send information over the communication link, Internet.

**Regarding claim 4**, Ronen further teaches that the transaction information comprises the day of initiation of the financial transaction, the amount of the financial transaction, and a customer account identifier (see at least Table 2, "... User ID..... date of transaction... charge-\$0.50... account billed-telephone number.....").

Ronen in view of Weber as applied to claim 1 does not disclose the time of the transaction. However, Weber, in the field of same endeavor of conducting financial transactions online, teaches disclosing the time of the transaction (see at least col.26, lines 3-17, "...txnDate.....Date of transaction....txnTime... Time of transaction....."). In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen to incorporate the feature of disclosing the time of the transaction because for the obvious reasons (i) like information about day, user's Id, amount, etc. information about time of the transaction helps to record the usage of time on the Internet and to charge the customer accordingly, (ii) to analyze and understand user's habits with regards to a particular time when he is more likely to make particular purchases and use this information target advertising products and promotional material.

Ronen in view of Weber as applied to claim 1 also does not teach that the customer information comprises a digital certificate. However, Weber, in the field of same endeavor of conducting financial transactions online, discloses that customer information comprises a digital certificate (see at least col.14, lines 24-43, "... Customer computer system 120 optionally transmits client certificate 240 to merchant computer system 130.....". Client certificate corresponds to the digital certificate in the claim). In view of Weber, it would have

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been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen to incorporate the feature of comprising a customer digital certificate because for the obvious reasons of establishing the authenticity and credentials of the customer/customer computer system.

**Regarding claim 5**, Ronen teaches that the customer account identifier represents a credit card account (see at least Table 1, "...MasterCard Account 123-456-7890.....Visa account 999-222-666...", and Table 2, "..Visa account 999-222-666....").

**Regarding claim 6**, Ronen in view of Weber as applied to claim 4 teaches an apparatus for processing financial transactions and customer information comprising of digital certificates. Ronen in view of Weber further discloses that the digital certificates use a public-key/private-key key pair a random encryption keys RK-0 (see Weber col. 16, lines 38-47), and RK-1 and RK-2 (see at least col.18, lines 22-67).

Ronen in view of Weber as applied to claim 4 shows does not disclose that the digital certificate complies with X.509 standard. Digital certificates could conform to a variety number of standards using public key infrastructure as existing at the time of the applicant's invention was made. It would have been obvious to a person of an ordinary skill in the art to use any available standards for the digital certificates as a design choice. Applicant has not disclosed a specific advantage, use, or solution, or to solve a stated problem in using X.509 standard. One of ordinary skill in the art, furthermore, would have expected Applicant's Invention to perform equally well with using the digital certificates used in Weber. Therefore, it would have been obvious to one of ordinary skill in the art to at the time of the applicant's invention to modify Ronen to obtain the invention as specified in claim 10.

**Regarding claim 8**, Ronen in view of Weber as applied to claim 1 teaches an apparatus for processing financial transactions wherein a memory stores the customer information. Ronen also discloses that the customer information associated with an account is in good standing to determine the validity of the customer information (see at least col.5, lines 45-57, "...Once an entry is created for the IP address in database of transaction server 109, the user may interact with any desired ISP[s] to complete with one or more transactions....". Note: establishment of IP address for the user by the system corresponds to the fact that the customer's account information is in good standing otherwise the IP address is not confirmed and service is not provided to the user [see FIG.3, blocks "206,207,211, 213, 213, 214,215, 223,224... " and col.7, lines 16-31. Only when IP address is confirmed ISP provides the service otherwise it is denied].

Ronen in view of Weber as applied to claim 1 does not disclose that the processor is further operable to determine whether the customer information is in an appropriate format. However, Weber teaches that the processor is further operable to determine whether the customer information is in an appropriate format (see at least col.23, line 66-col.24, line 15, ".....The normal flow of a transaction is via....into the protocol layer 1516 which is responsible for converting into the appropriate format for transmission to the Gateway for additional processing and forwarding to existing host payment...". Note: Before converting to an appropriate format, determination has to be made if the customer information is in appropriate format.).

In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen in view of Weber as applied to claim 1 to incorporate the feature of determining if the customer information is in appropriate format because to be able to transmit it to and to be accepted by the other host payment

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systems like acquirers/banks for authorization and approval of the payment against credit cards/debit cards.

**Regarding claim 9,** Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the processor is further operable to generate a validation request based on the customer information, receive a validation response indicating the validity of the customer information, and analyze the validation response to determine the validity of the customer information (see at least col.7, lines 16-67, ".....In FIG.3, at step 211, the ISP retrieves the user's IP address and requests confirmation that an entry for a session has been created for that IP address on the database of the transaction server.....At step 212, at the transaction server, a database entry for that IP address.....are confirmed .....At step 213 the presence of an entry for that IP address is confirmed.....If no such entry exists for the IP address, at step 215 the ISP receives a non-confirmation.....Without a confirmation, the user is precluded from proceeding with the transaction.....If an entry for that IP address is confirmed.....At step 223, the ISP receives confirmation from the transaction server and provides the requested service to the user.....").

**Regarding claim 10,** Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the processor effects the determination of whether the financial transaction involves a micro-payment as a function of at least one of: function of at least one of: whether the amount of the financial transaction is below a predetermined threshold, a frequency of such financial transactions, and an identity of the customer (see at least col.2, lines 16-30, "...The billing server then cross-

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references the IP address associated with the cost of the transaction received from the ISP..... This account will likely be established by the user prior to execution..... credit card... debit card..... a user's telephone account associated with his or her phone number.... [see Table I in col.4]..... Billing to a particular .... can be selectively determined, for example, by the type of the transaction, the amount of transaction, the identity of the provider, or a combination of any of these....". and also see col.4, line 20-col.5, line 13. Note: billing to a user's telephone account is directed for micro-payments as analyzed in claim 1 above. ).

**Regarding claim 11**, Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the processor is further operable to instruct the memory to store the day of initiation of the financial transaction, the amount of the financial transaction, and a customer account identifier to instruct the memory to store at least part of the transaction information (see at least Table 2, "... User ID..... date of transaction... charge-\$0.50... account billed-telephone number... VISA Account 999-222-666.... charge-\$25.00).

Ronen in view of Weber as applied to claim 1 does not disclose the time of the transaction. However, Weber, in the field of same endeavor of conducting financial transactions online, teaches disclosing the time of the transaction (see at least col.26, lines 3-17, "... txnDate..... Date of transaction.... txnTime... Time of transaction.....). In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen to incorporate the feature of disclosing the time of the transaction because for the obvious reasons (i) like information about day, user's Id, amount, etc. information about time of the transaction helps to record the usage of time on the Internet and to charge the customer accordingly, (ii) to analyze and understand user's habits

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with regards to a particular time when he is more likely to make particular purchases and use this information target advertising products and promotional material.

**Regarding claim 12**, Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the processor is further operable to instruct the memory to store, in a buffer, at least part of the transaction information for each of a plurality of financial transactions that involves a micro-payment (see at least col.4, lines 63-67, ".....The billing server also stores for each user a record that includes information for each transaction charged to that user's account....Table 2, ...User ID.....date of transaction...charge-\$0.50...account billed-telephone number...VISA Account 999-222-666....charge-\$25.00..". Note: The charge of \$0.50 corresponds to micro-payment as already analyzed in claim 1 above.).

**Regarding claim 13**, Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the processor is further operable to generate a fourth message to settle the financial transaction based on the stored part of the transaction information (see at least col.2, lines 63-66, "....The user's account on the database of the billing server is then charged according to the billing mechanism established by the user for each type of transaction within the session ". Also, see col.4, line 20-col.5, line 13. Note: see tables 1 and 2 in columns 4 and 5 for the type of billing mechanism recorded and stored by the user prior to settling the financial transaction.).

**Regarding claim 15**, Ronen in view of Weber as applied to claim 1 discloses an apparatus for processing financial transactions. Ronen further shows that the first message



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includes merchant information (see at least col.4, lines 63-67, " Table 2 shows an example of the type pf transaction-oriented information stored in database 112 for each transaction", and Table 2, "... ISP accessed-Dow Jones..... ISP accessed-Microsoft.....". Note: Information about ISP [s] corresponds to the merchant information); and

the processor is further operable to determine whether the merchant information is valid, generate the second message if the merchant information is invalid, and determine whether the financial transaction involves a micro-payment only if the merchant information is valid (see at least col.8, lines 29-45, "...a mechanism that requires all transactions to pass through a proxy server, such as 601 in FIG.6. That proxy server 601 acts as an agent of the transaction server 109 and every transaction that passes through the proxy 601 to an ISP, .....is marked. The mark is used by the ISP ....to bill that IP address.....The transaction server , therefore must check for the presence of that mark.....The relationship between the IP address and the mark is therefore communicated to transaction server 109....to verify each billing request from an ISP relative to that IP address....". Note" checking for the mark in the message from for billing from the merchant corresponds t determining id the merchant information is valid and communicating the relationship between the mark and IP address corresponds to generating a message if the information is invalid. Determining if the transaction involves a micro-payment is already analyzed in claim 1 above.).

**Regarding claim 16,** Ronen in view of Weber as applied to claim 15 discloses an apparatus for processing financial transactions involving micro-payment and that the first message includes merchant information. Ronen does not teach that the merchant information comprises a digital certificate. However, Weber, in the field of same endeavor of conducting financial transactions online, discloses that merchant information comprises a digital

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certificate (see at least col.14, lines 8-11, "...Merchant computer system 130 transmits a server certificate 220. If transmitted, server certificate 220 enables customer computer system 120 to authenticate the identity of merchant computer system 130 .....". server certificate 220 corresponds to the digital certificate in the claim). In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen to incorporate the feature of comprising a merchant digital certificate because for the obvious reasons of establishing the authenticity and credentials of the merchant/merchant computer system to the client/client computer system.

**Regarding claims 17 and 18,** Ronen in view of Weber as applied to claim 15 discloses an apparatus for processing financial transactions involving micro-payment and that the first message includes merchant information. The limitations recited in claims 17 and 18 are already covered and analyzed in claims 12-13 above.

**Regarding method claims 19-27, and 29-32,** their limitations correspond to the intended functions of the system claims 1, 4-6, 9-13, and 15-18 and are therefore analyzed and rejected as unpatentable over Ronen in view of Weber on the basis of same rationale.

**Regarding claims 33-41, and 43-46,** their limitations are directed to a set of logic encoded in media for processing financial transactions, the logic operable to perform the operations which correspond to the intended functions of the method claims 19-17, and 29-32, and are therefore analyzed and rejected as unpatentable over Ronen in view of Weber on the basis of same rationale.

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**Regarding claims 48, 50, 52, 53, & 58**, all limitations are already covered and analyzed in claims 1, 2, 4, 10, 11, 12, 15, 16, 17 and 18 above except for the following limitation :

receive an authorization response, and generate a fourth message indicating the authorization status of the financial transaction.

Ronen in view of Weber as applied to claims 1, 2, 4, 10, 11, 12, 5, 16, 17 and 18 discloses an apparatus for processing financial transactions and if the financial transaction does not involve a micro-payment, generates an authorization request. Ronen in view of Weber as applied to claims 1, 2, 4, 10, 11, 12, 15, 16, 17 and 18 does not disclose to receive an authorization response, and generate a fourth message indicating the authorization status of the financial transaction. However, in the filed of same endeavor, Weber teaches to receive an authorization response, and generate a fourth message indicating the authorization status of the financial transaction (see at least col. 14, line 64-col. 15, line 6, "... This enables the merchant to perform payment authorization and payment capture. Payment authorization is the process by which permission is granted by a payment gateway operating on behalf of a financial institution to authorize payment..... This is a process that .... confirms a given transaction does not raise the account holder's debt .... Payment capture is the process that triggers the movement of funds ....". Note: granting of permission to authorization request corresponds to receiving an authorization response and payment capture to trigger the movement of funds corresponds to generating a fourth message indicating the status of the financial transaction). In view of Weber, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen in view of Weber as applied to claims 1, 2, 4, 10, 11, 12, 15, 16, 17 and 18 to incorporate the feature of receiving an authorization response, and generating a fourth message indicating the authorization

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status of the financial transaction for the obvious reason of completing the financial transaction initiated by the user irrespective of the fact if the permission is granted or not. If permission is granted the financial transaction would be consummated and if not it would be voided.

6. Claims 14, 28, 42, 54, 55, 56, 57, and 59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ronen in view of Weber as applied to claim 13 above, and further in view of Elgamal.

Regarding claim 14, Ronen in view of Weber as applied to claim 13 discloses an apparatus for processing financial transactions and settling a financial transaction based on the stored part of the transaction information. Ronen does not disclose that the processor generates the fourth message at a designated time. However, Elgamal, in the field of same endeavor of conducting financial transactions online, teaches to generate the fourth message at a designated time (col. 12, lines 10-61, "...At the end of a pre specified period of time[daily for example], the PG pays the merchant for the aggregate amount from all transactions completed..."). In view of Elgamal, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Ronen in view of Weber as applied to claim 13 to incorporate the feature of settling the financial transaction by generating a message at a designated time. Doing so enables the system to provide the ability to pay for several small payments, like the ones of \$0.50 in one aggregated transaction and thereby making the network system efficient and economical.

**Regarding method claim 28**, the limitations correspond to the intended functions of the system claim 14 and is therefore analyzed and rejected as unpatentable over Ronen in view of Weber and further in view of Elgamal on the basis of same rationale.

**Regarding claim 42**, its limitations are directed to a set of logic encoded in media for processing financial transactions, the logic operable to perform the operations which correspond to the intended functions of the method claim 28 and is therefore analyzed and rejected as unpatentable over Ronen in view of Weber on the basis of same rationale.

**Regarding claim 54**, its limitations are already covered and analyzed in claim 14 above and is therefore analyzed and rejected as unpatentable over Ronen in view of Weber on the basis of same rationale.

**Regarding claim 55**, Ronen in view of Weber as applied to claim 12 discloses an apparatus for processing financial transactions, storing part of transactional information for each of a plurality of transactions involving micro-payments. The limitations recited in claim 55 are already covered and analyzed in claims 10 and 14 above and therefore claim 55 is rejected as unpatentable over Ronen in view of Weber and further in view of Elgamal based on same rationale.

**Regarding claims 56, 57, and 59**, their limitations are already covered and analyzed in claim 56 above and are therefore rejected as unpatentable over Ronen in view of Weber and further in view of Elgamal on the basis of same rationale.

**Conclusion**

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

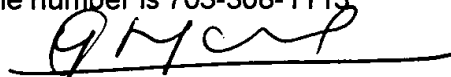
(i) US Pub.No.: US 2002/0083009 A1 to Lansing et al. discloses a system and a method for completing a transaction via a communication network involving micro-payments (see at least paragraphs 0093-0096).

(ii) WO 00/067216 A1 to O'Leary, et al. discloses a system and a method of effecting electronic funds transfer credit messages enabling small dollar financial transactions, by creating "web ash" (see at least abstract and page 8, lines 2-4).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F (8:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn W Coggins can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.



Yogesh C Garg  
Examiner  
Art Unit 3625

YCG  
October 5, 2003